

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 1476 – SB 1687**

April 15, 2014

**SUMMARY OF ORIGINAL BILL:** Authorizes a commercially-operated resort, restaurant, marina and recreational facility on Norris Lake in Campbell County meeting the specifications of the bill to be issued a license as a premier type tourist resort for the purpose of selling liquor by the drink.

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Revenue - \$300/One-Time/ABC Fund  
\$2,000/Recurring/ABC Fund

**SUMMARY OF AMENDMENTS (013537, 014813):** Amendment 013537 adds language to the original bill that authorizes a commercially operated marina on Tims Ford Lake meeting the specifications in the bill, and a commercially operated mountain top resort in Campbell County meeting the specifications of the bill, to be issued licenses as premier type tourist resorts for the purpose of selling liquor by the drink.

Amendment 014813 adds language to the original bill that authorizes a commercially operated marina, resort and recreational facility on the Clinch River on Norris Lake in Claiborne County to be issued a license as a premier type tourist resort for the purpose of selling liquor by the drink.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

Increase State Revenue- \$1,200/One-Time/ABC Fund  
\$8,000/Recurring/ABC Fund

Assumptions for the bill as amended:

- The bill as amended would apply to four entities.
- There is an initial application fee of \$300 and a \$2,000 annual renewal fee to the Alcoholic Beverage Commission (ABC) for each entity.

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- The one-time increase in state revenue to the ABC Fund is estimated to be \$1,200 (\$300 x 4). The recurring increase in state revenue to the ABC Fund is estimated to be \$8,000 (\$2,000 x 4).
- No additional personnel or resources will be required by ABC.
- The entities will be assessed state and local taxes on alcoholic beverage sales, a 15 percent liquor-by-the-drink tax on all alcoholic beverages sold, and any applicable county or privilege tax. These taxes will not have a significant state or local fiscal impact.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/cce